

the State of Texas and the Highway Commission for damages to her property.

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be not printed.

PACE, Chairman.

Committee Room,

Austin, Texas, Oct. 5, 1936.

Hon. Walter Woodul, President of the Senate.

Sir: We, your Committee on State Affairs, to whom was referred

S. B. No. 2, A bill to be entitled "An Act requiring ad valorem taxes to be paid on the listed and rendered value in order to prevent the accrual of penalty and interest; further requiring the payment of such taxes on the listed and rendered value by the owner as a condition to resisting the valuation fixed by the board of equalization, in any court; further authorizing the Tax Assessor and Collector to receive the taxes based on the listed and rendered value and to issue a special receipt therefor; further directing the State Comptroller to prescribe and furnish the form for such special receipt; further allowing the owner thirty days after the effective date of this Act within which to pay delinquent taxes based on the listed and rendered value of the property; further providing that this Act shall not in any wise affect or impair the rights of the state, county, or other political subdivision to the taxes, penalty and interest accruing on the property valuation over and above the rendered and listed value; further providing that the provisions of this Act are severable; repealing all laws or parts of laws in conflict with this Act; and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PACE, Chairman.

Minutes of Committee Meetings.

Minutes of Committee on Agriculture Held October 3, 1936.

Called Meeting.

Present: DeBerry, Beck, Hill, Isbell, Neal, Poage, Stone, Van Zandt, Nelson.

Absent and excused: Sulak, Small. Senator Van Zandt moved that S. C. R. No. 7 be reported back to the Senate favorably.

Senator Hill offered a substitute motion to the effect that the Chairman appoint a sub-committee of three to write a Committee Substitute for S. C. R. No. 7.

The committee recessed until 2 p. m. Monday, Oct. 5, 1936.

JACK HOWISON, Secretary.

Minutes of Committee on Agriculture Held October 5, 1936.

Called Meeting.

Present: DeBerry, Small, Beck, Stone, Neal, Hill.

Absent and excused: Sulak, Poage, Nelson, Van Zandt, Isbell.

Senator Hill withdrew his substitute motion.

Senator Stone offered a Committee Substitute for S. C. R. No. 7 which was adopted by the Committee and reported to the Senate with the recommendation that it do pass.

The committee adjourned.

JACK HOWISON, Secretary.

EIGHTH DAY.

Senate Chamber,

Austin, Texas,

October 7, 1936.

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Lieutenant Governor Walter F. Woodul.

The roll call disclosed a quorum, the following Senators being present:

Beck.	Oneal.
Blackert.	Pace.
Burns.	Poage.
Collie.	Rawlings.
Cotten.	Redditt.
Davis.	Regan.
DeBerry.	Sanderford.
Hill.	Shivers.
Holbrook.	Small.
Hornsby.	Van Zandt.
Isbell.	Weinert.
Moore.	Westerfeld.
Neal.	Woodruff.
Nelson.	

Absent—Excused.

Martin. Sulak.
Stone.

Prayer by Rev. B. W. Allen.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Hill.

Committee Reports.

(See Appendix.)

Senators Excused.

On motion of Senator Shivers, Senator Martin was excused on account of important business.

On motion of Senator Hill, Senators Stone and Sulak were excused on account of business.

Bills and Resolutions.

S. C. R. No. 9.

By Senator Burns:

Whereas, The Texas Prison Board and the general manager of the Texas prison system in order to promote efficiency and economical operation of the prison system at the last regular meeting of the Prison Board combined the management of the Eastham State Prison Farm and the Ferguson State Prison Farm, and placed in charge of said State Prison Farm the manager of the Eastham Farm; and

Whereas, The duties incumbent upon the manager of the Eastham Farm are greater than with only one farm and the Prison Board and general manager are desirous of paying the prison farm manager on the Eastham Farm more money than is allowed by statute because of added duties and responsibilities; and

Whereas, The General Appropriation Bill for the Texas prison system for the year ending August 31, 1937, limits the amount that a farm manager may receive; therefore, be it

Resolved by the Senate of Texas, the House of Representatives concurring, That the Prison Board and the general manager of the Texas prison system are hereby authorized to add to the manager's salary of the Eastham State Prison Farm the sum of thirty (\$30) dollars per month in addition to the salary which is now allowed by statute, and that the same shall be taken off of the appropriation that was heretofore appropriated during the Regular Session of the Forty-fourth Legislature for the manager of the Ferguson Farm.

Read.

Senator Burns asked unanimous consent that the rule requiring resolutions be referred to a committee be suspended.

Point of Order.

Senator Sanderford raised the point of order that this does not come within the Governor's call.

The Chair sustained the point of order.

H. C. R. No. 4.

The Chair laid before the Senate on its second reading the following resolution:

By Mr. Stovall:

H. C. R. No. 4, To grant John Mulkey permission to sue the State.

Whereas, On or about the 4th day of April, 1934, and on or about the 14th and 15th days of June, 1935, and on or about the 26th and 27th days of September, 1936, John Mulkey of Ellis County, Texas, alleges that he sustained damages to his property, etc.

Senator Pace moved that H. C. R. No. 4 be laid on the table subject to call.

The motion prevailed.

Senate Resolution No. 12.

By Senator Holbrook:

Whereas, The Honorable S. T. Bledsoe, a distinguished citizen of the United States, and a former resident of Texas, is now in the Senate Chamber; and

Whereas, As President of the Santa Fe Railway systems, his administrative genius has added greatly to the happiness and material welfare of the people of this country, and especially to those of Texas served by this great railway system, it is the pleasure and the honor of the Senate to welcome Mr. Bledsoe home again, and with the hope that he will live long and continue to enjoy the friendships which he formed here in his young manhood; be it therefore

Resolved, That Mr. Bledsoe be invited to address the Senate upon any subject-matter which he may have in mind.

Read and adopted.

The Chair appointed Senators Holbrook, Sanderford and Weinert to

escort Hon. S. T. Bledsoe to the platform.

Senator Holbrook presented Mr. Bledsoe, who briefly addressed the Senate.

Senate Resolution No. 13.

By Senator Hornsby:

Whereas, Honorable W. J. Cunningham, a former member of the State Senate from Abilene, is now in the Senate Chamber; therefore, be it

Resolved, That this distinguished visitor be accorded the privilege of the floor and invited to address the Senate.

Read and adopted.

The Chair appointed Senators Nelson, Isbell and Hornsby to escort Judge Cunningham to the platform.

Senator Hornsby presented Judge Cunningham, who briefly addressed the Senate.

Senate Resolution No. 14.

By Senator Westerfeld:

Resolved, That a special committee of this Senate, consisting of five Senators, to be appointed by the Lieutenant Governor, is authorized and directed immediately to make an investigation of the collection, contribution and expenditure of campaign funds raised or expended, or to be raised or expended to influence the election or defeat, within the State of Texas, of candidates for President and Vice President or Presidential Elector, at the election of November 3, 1936, for political advertising in newspapers or otherwise, the distribution of literature through the mails or otherwise, the maintaining of political headquarters, compensation of speakers, clerks or workers or for any other purpose to the end that the people may know before the election, the amount of money being expended to influence the coming election in Texas, the source from which such funds are derived and the persons to whom such funds are paid, and, generally, all facts pertaining to the use of money to influence the presidential election within the State of Texas with particular reference to whether or not the laws of Texas pertaining to the matters to be investigated have been violated and to what legislation may be necessary to the

strengthening and better enforcement of such laws.

The committee shall report to the Senate from time to time, beginning as soon as practicable, the results of its investigation together with its recommendations.

For the purposes of this resolution, the committee or any duly authorized sub-committee or member thereof, is authorized to hold such hearings, to sit and act at such times and places during the present Called Session of the Legislature, to employ such stenographic, clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony as it may deem advisable, and to make such expenditures as shall be authorized from time to time by the Senate.

Read and referred to the Committee on Privileges and Elections.

Message From the House.

The Chair recognized the Doorkeeper, who introduced a messenger from the House with the following message:

Hall of the House of Representatives,
Austin, Texas, Oct. 7, 1936.
Hon. Walter F. Woodul, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bill:

H. B. No. 11, A bill to be entitled "An Act to create an Unemployment Insurance System for the State of Texas; creating an Unemployment Compensation Fund; providing for collections, deposits, and investments of such funds; providing for withdrawals; providing for custody, and management of such funds in certain contingencies; etc., and declaring an emergency."

Respectfully submitted,

LOUISE SNOW PHINNEY,
Chief Clerk, House of Representatives.

House Bill No. 11.

The Chair laid before the Senate on its first reading the following bill:

By Mr. Davisson, et al.:

H. B. No. 11, A bill to be entitled "An Act to create an Unemployment

Insurance System for the State of Texas; creating an Unemployment Compensation Fund; providing for collections, deposits, and investments of such funds; providing for withdrawals; providing for custody, and management of such funds in certain contingencies; etc., and declaring an emergency."

Read and referred to the Committee on Labor.

Executive Session.

On motion of Senator Oneal, the Senate went into executive session at 11:40 o'clock.

The time set for executive session having arrived, the Chamber was cleared and the doors locked.

After Executive Session.

At 12:35 o'clock p. m., the conclusion of executive session, the Secretary of the Senate informed the Journal Clerk that the following action had been taken:

Committee Room,
Austin, Texas, Oct. 6, 1936.
Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Governor's Nominations, to whom was referred the following appointments by the Governor, have had same under consideration, and I, as chairman of said committee, am instructed to report same back to the Senate with the recommendation that they be in all things confirmed:

To be directors of the Sulphur River Conservation and Reclamation District: Jess Alford, of Paris, Lamar County; Dr. J. H. McKinney, of Cooper, Delta County; Judge Tom Rountree, of Cooper, Delta County; Caldwell Morris, of Douglasville, Cass County; A. B. Childs, of Naples, Morris County; Claud McDonald, of Mt. Pleasant, Titus County; G. W. Rutherford, of Mt. Vernon, Franklin County; A. Brice, of Sulphur Springs, Hopkins County; John D. Middleton, of Greenville, Hunt County; J. M. Pike, of Bogata, Red River County; Bland Smith, of Bonham, Fannin County; Harvey Simms, of Simms, Bowie County.

To be a member of the State Board of Barbers' Examiners: G. Fred Turner, of Cooper, Delta County.

ONEAL, Chairman.

Adopted.

Senate Resolution No. 15.

By Senator Moore:

Whereas, Certain testimony was taken in the Committee on Governor's Nominations relative to the Texas Liquor Control Board and such testimony was taken down in shorthand; and

Whereas, Such would be of great interest to the people of Texas and the Senate of Texas would be doing a public service by making such public; therefore, be it

Resolved, by the Senate of Texas, That such testimony be made available to the public.

Read.

Pending.

S. C. R. No. 7.

The Chair laid before the Senate on its second reading S. C. R. No. 7 with the following committee substitute:

C. S. for S. C. R. No. 7.

By Senator Davis, et al.:

Whereas, There has been enacted by the Senate and House of Representatives of the United States of America in Congress assembled, an Act to promote the conservation and profitable use of agricultural land resources by temporary Federal aid to farmers, and by providing for a permanent policy of Federal aid to states for such purposes (Public No. 461, 74th Congress) approved by the President, February 29, 1936,

Whereas, A provision of the Act and the purposes of the grant of money authorized by the Act is made useable by legislative assent of the several states and territories; now, therefore, be it

Resolved by the Senate of Texas, the House of Representatives concurring,

Section 1: That the Legislature of the State of Texas adopt as a policy of the State of Texas the policy of cooperating with the governments and agencies of other states and of the United States in carrying out the policies and purposes specified in Section 7-A of said Act and that

In order to effectuate such policy the Agricultural and Mechanical College of Texas is hereby authorized and empowered to receive any grants made pursuant to said Act and to use them for the benefit of the State

of Texas in accordance with such conditions as may be prescribed by the Secretary of Agriculture pursuant to the provisions of said Act.

Sec. 2. This resolution shall take effect immediately upon its enactment.

Senator Davis moved the adoption of the committee substitute.

The motion prevailed.

Senator DeBerry sent up the following amendment to committee substitute:

By Senator DeBerry:

Amend committee substitute to Senate Concurrent Resolution No. 7, by adding following immediately at the end of the resolving clause:

And Whereas, The price of midling cotton October 6th, at the ten designated spot cotton markets was 12.09; and

Whereas, This price is far below the cost of production and a fair profit to the producers, and far below the prices being received for other farm commodities; and

Whereas, The prices being paid by the producer of cotton for all finished products that he is forced to buy is far in excess of the price he is receiving for his cotton; and

Whereas, The United States Department of Agriculture, through its agencies during the last year, sold or caused to be offered for sale, over a million bales of cotton from stocks controlled by it at a price of about 12 cents per pound, delivered, this price being far below the cost of production and a fair profit to the producer; and

Whereas, The Federal Department of Agriculture, or its agencies, have now under their control, several million bales of cotton; and

Whereas, It is generally understood it is their plan to place something like a million bales of this cotton on the market in January, 1937, the cost of this cotton plus carrying charges, etc., is estimated at a figure somewhere between 13½ and 14 cents per pound; and

Whereas, The whole cotton trade has every reason to expect this cotton to be offered at a price of 14 cents, or less, creates a condition that automatically prevents cotton of the present crop from selling at a price higher than the expected figure. In other words, the knowledge that cotton will be offered at

such a figure obviates the necessity of paying more for cotton now being offered as no one needing cotton would go long either on the future or spot market knowing such cheap cotton would be available in the near future; and

Whereas, The Secretary of Agriculture of the United States, is given authority under Public No. 461 of the Seventy-fourth Congress to "establish the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the five-year period, August, 1909, to July, 1914, inclusive"; and

Whereas, To do this, it is necessary that the price of cotton be such as to guarantee the cost of production plus a fair profit to the producer; now, therefore, be it

Resolved, That we, the Senate of the State of Texas, the House of Representatives concurring, respectfully ask the Secretary of Agriculture to at once announce the number of bales of cotton to be placed on the market, the time such will be done, and to make the firm assertion that this cotton will not be placed on the market at less than 18 cents per pound, midling basis, ¾ inch staple, so that this surplus stock will not act as a prohibition against the present crop bringing a fair price set by supply and demand.

Read.

Pending.

Point of Order.

Senator Davis raised a point of order that Senator Hill's discussion was not germane.

The Chair ruled that discussion could be analagous and the point of order was not sustained.

Resolutions Signed.

The Chair, President Pro Tem. Roy Sanderford, gave notice of signing, and did sign, in the presence of the Senate, after their captions had been read, the following resolutions:

H. C. R. No. 2. S. C. R. No. 3.
H. C. R. No. 3.

Motion to Recess.

On motion of Senator Shivers, at 12:37 o'clock p. m., the Senate recessed until 2:30 o'clock p. m., today.

After Recess.

The Senate met at 2:30 o'clock p. m., pursuant to recess, and was called to order by President Pro Tem. Roy Sanderford.

S. C. R. No. 7.

Pending business was the pending amendment to committee substitute by Senator DeBerry.

Inquiry.

Senator Shivers asked if Senator Hill had not exceeded the time limit. The Chair stated that such was the fact.

Senator Moore moved that time be extended.

No objections were heard.

Senator Hill resumed his discussion.

The amendment was adopted by the following vote:

Yeas—12.

Beck.	Moore.
Burns.	Neal.
DeBerry.	Nelson.
Hill.	Rawlings.
Holbrook.	Shivers.
Isbell.	Westerfeld.

Nays—10.

Blackert.	Redditt.
Cotten.	Sanderford.
Davis.	Small.
Hornsby.	Van Zandt.
Pace.	Weinert.

Absent.

Regan.	Woodruff.
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Absent—Excused.

Collie.	Poage.
Martin.	Stone.
Oneal.	Sulak.

S. C. R. No. 7 as amended was adopted by the following vote:

Yeas—13.

Beck.	Redditt.
Blackert.	Sanderford.
Burns.	Shivers.
Cotten.	Small.
Davis.	Van Zandt.
Isbell.	Westerfeld.
Pace.	

Nays—8.

DeBerry.	Hornsby.
Holbrook.	Moore.

Neal.	Rawlings.
Nelson.	Weinert.

Present—Not Voting.

Hill.

Absent.

Regan.

Woodruff.

Absent—Excused.

Collie.	Poage.
Martin.	Stone.
Oneal.	Sulak.

Reasons for Voting.

I voted "aye" on the DeBerry amendment to S. C. R. No. 7, hoping that the adoption would help kill the original resolution. After the amendment was declared adopted I voted "no" on the resolution as amended. I was and am against both the resolution and the amendment.

HOLBROOK.

Senate Bill No. 2.

The Chair laid before the Senate on its second reading the following bill:

By Senator Burns:

S. B. No. 2, A bill to be entitled "An Act requiring ad valorem taxes to be paid on the listed and rendered value in order to prevent the accrual of penalty and interest; further requiring the payment of such taxes on the listed and rendered value by the owner as a condition to resisting the valuation fixed by the board of equalization, in any court; further authorizing the tax assessor and collector to receive the taxes based on the listed and rendered value and to issue a special receipt therefor; and declaring an emergency.

The bill was read second time and failed to pass to engrossment by a viva voce vote.

Senate Resolution No. 15.

Senator Moore moved that the minority report on Senate Resolution No. 15 be adopted and printed in the Journal.

Motion to Table.

Senator Van Zandt moved to table the motion.

The motion to table prevailed by the following vote:

Yeas—13.

Blackert.	Isbell.
Burns.	Neal.
Cotten.	Nelson.
DeBerry.	Van Zandt.
Hill.	Weinert.
Holbrook.	Woodruff.
Hornsby.	

Nays—9.

Beck.	Sanderford.
Moore.	Shivers.
Pace.	Small.
Rawlings.	Westerfeld.
Redditt.	

Absent.

Davis.	Regan.
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Absent—Excused.

Collie.	Poage.
Martin.	Stone.
Oneal.	Sulak.

Senate Bill No. 5.

The Chair laid before the Senate on its second reading the following bill:

S. B. No. 5, A bill to be entitled "An Act to create an Unemployment Insurance System for the State of Texas: creating an Unemployment Compensation Fund; providing for collections, deposits, and investments of such funds; providing for withdrawals; providing for custody and management of such funds in certain contingencies; providing regular contributions and penalties; providing that claims for premiums shall have priority over other claims; etc., and declaring an emergency."

Senator Shivers moved that the rule requiring committee reports lie over 24 hours be suspended and take up the bill at this time.

Senator Woodruff made a substitute motion that the bill be set as special order after the morning call. Monday, October 12th.

Motion to Table.

Senator Shivers moved to table the Woodruff substitute motion which lost by the following vote:

Yeas—11.

Blackert.	Rawlings.
Burns.	Redditt.
Cotten.	Sanderford.
DeBerry.	Shivers.
Moore.	Westerfeld.
Pace.	

Nays—12.

Beck.	Neal.
Davis.	Nelson.
Holbrook.	Small.
Hornsby.	Van Zandt.
Hill.	Weinert.
Isbell.	Woodruff.

Absent—Excused.

Collie.	Regan.
Martin.	Stone.
Oneal.	Sulak.
Poage.	

Senator DeBerry moved to amend Senator Woodruff's motion by changing the words "Monday, October 12th" to Thursday morning, October 8th."

The amendment was adopted by the following vote:

Yeas—20.

Beck.	Oneal.
Blackert.	Pace.
Burns.	Poage.
Cotten.	Rawlings.
Davis.	Redditt.
DeBerry.	Sanderford.
Hill.	Shivers.
Hornsby.	Van Zandt.
Moore.	Weinert.
Nelson.	Westerfeld.

Nays—5.

Holbrook.	Small.
Isbell.	Woodruff.
Neal.	

Absent—Excused.

Collie.	Stone.
Martin.	Sulak.
Regan.	

The substitute motion, as amended, prevailed by the following vote:

Yeas—22.

Beck.	Oneal.
Blackert.	Pace.
Burns.	Poage.
Cotten.	Rawlings.
Davis.	Redditt.
DeBerry.	Sanderford.
Hill.	Shivers.
Hornsby.	Small.
Moore.	Van Zandt.
Neal.	Weinert.
Nelson.	Westerfeld.

Nays—3.

Holbrook. Woodruff.
Isbell.

Absent—Excused.

Collie. Stone.
Martin. Sulak.
Regan.

Senator Redditt received unanimous consent to introduce the following bills:

Senate Bill No. 9.

By Senator Redditt:

S. B. No. 9, A bill to be entitled "An Act authorizing the issuance of interest-bearing warrants to pay old age assistance benefits, making an appropriation, and declaring an emergency."

Read and referred to the Committee on Finance.

Senate Bill No. 10.

By Senator Redditt:

S. B. No. 10, A bill to be entitled "An Act providing for the diversion of three million dollars (\$3,000,000) of State funds that under existing laws would go to the General Revenue Fund of the State, to the 'Texas Old Age Assistance Fund' for the use and benefit of the Texas old Age Assistance Commission for the payment of old age assistance as is now provided by law; and declaring an emergency."

Read and referred to the Committee on Finance.

Senate Bill No. 3.

Senator Hill called from the table S. B. No. 3.

The Chair laid before the Senate S. B. No. 3 on its second reading:

S. B. No. 3, A bill to be entitled "An Act to validate, ratify, approve, confirm, and declare enforceable all levies and assessments of ad valorem taxes heretofore made by independent school districts in this State

Senators Poage and Oneal sent up the following amendment:

Amend S. B. No. 3, page 2, line 2, by adding at the end of Section 1, the following: "Provided, however, that this Act shall not effect any suit now pending in any court of this State, or that may be filed in 90 days after the effective date hereof

and shall not validate any levy, assessment or valuation made or placed on any property where any suit as afore mentioned shall be or shall have been filed within the time afore mentioned."

Read and adopted.

S. B. No. 3 passed to engrossment by the following vote:

Yeas—12.

Beck. Oneal.
Blackert. Poage.
Davis. Rawlings.
Hill. Shivers.
Hornsby. Van Zandt.
Isbell. Westerfeld.

Nays—11.

Burns. Pace.
DeBerry. Redditt.
Holbrook. Sanderford.
Moore. Weinert.
Neal. Woodruff.
Nelson.

Absent—Excused.

Collie. Small.
Cotten. Stone.
Martin. Sulak.
Regan.

Senator Hill moved that the rule requiring bills to be read on three several days be suspended.

The motion prevailed by the following vote:

Yeas—24.

Beck. Nelson.
Blackert. Oneal.
Burns. Pace.
Cotten. Poage.
Davis. Rawlings.
DeBerry. Redditt.
Hill. Sanderford.
Holbrook. Shivers.
Hornsby. Van Zandt.
Isbell. Weinert.
Moore. Westerfeld.
Neal. Woodruff.

Absent—Excused.

Collie. Small.
Martin. Stone.
Regan. Sulak.

Senator Rawlings sent up the following amendment to S. B. No. 3: "Provided, however, the terms of

this Act shall not apply to such districts situated within counties having a population of 150,000 or more, according to the last preceding Federal Census."

RAWLINGS.

Read and adopted by a viva voce vote.

Senator Hill moved that the bill be laid on table subject to call.

Motion prevailed by a viva voce vote.

Senate Resolution No. 15.

By Senator Moore.

Senator Moore asked unanimous consent that the rule requiring resolutions be referred to a committee be suspended.

Objections were heard.

Senator Moore moved to suspend the rule requiring resolutions be referred to a committee and taken up at this time.

Motion lost by the following vote:

Yeas—6.

Moore.	Sanderford.
Pace.	Weinert.
Rawlings.	Westerfeld.

Nays—18.

Beck.	Neal.
Blackert.	Nelson.
Burns.	Oneal.
Davis.	Poage.
DeBerry.	Redditt.
Hill.	Regan.
Holbrook.	Shivers.
Hornsby.	Van Zandt.
Isbell.	Woodruff.

Absent—Excused.

Collie.	Small.
Cotten.	Stone.
Martin.	Sulak.

Read and referred to Committee or Civil Jurisprudence.

Messages From the Governor.

The Chair laid before the Senate the following messages from the Governor which were read.

Executive Office,

Austin, Texas, Oct. 7, 1936.

To the Members of the Forty-fourth Legislature:

With further reference to the subject-matter heretofore submitted to you:

"1. To provide further necessary revenue for old age assistance to persons entitled to same under the provisions of said House Bill No. 26 as passed by the Second Called Session of the Forty-fourth Legislature."

As you are perhaps aware, since Hon. Frank Bain, executive director of the National Social Security Board appeared before this Legislature, the Federal Government has granted the State's application for matching funds so that the warrants already prepared for October payments by the Old Age Assistance Commission may now go out.

When this Legislature passed House Bill 26 (the Old Age Assistance bill), it made an appropriation of twenty-five million dollars, but, of course, sufficient moneys have not yet been placed in the fund to take care of this appropriation.

It has been pointed out that unless additional cash money is made available immediately, the old age assistance fund will go upon a partial deficit on November 1st, and on a complete deficit for succeeding payments until additional revenues are provided.

It has likewise been pointed out that even if this Legislature passes a revenue bill providing for additional taxes to go into the old age assistance fund, it will be at least ninety days after the close of the session before tax collections will begin to materialize; and if the revenue bill should not receive a two-thirds vote, it will be six months before these tax payments accrue. In the meantime, as stated in my message on the opening day of this session, we cannot afford to issue "hot checks" or warrants to those entitled to old age assistance. Indeed, Mr. Bain, executive director of the National Social Security Board, testified that the Federal Government would not match us unless the cash was actually in the treasury to match Federal funds.

After his testimony I conferred with Mr. Bain and asked him if the Federal Government would match us provided the State authorized payment of interest on its warrants so that the social security board could be assured that applicants would not have to discount their warrants. He told me he felt sure they would do so.

I have heretofore recommended the transfer of other funds to the pension fund to meet the emergency. Whether this will be done remains highly problematical, but, in any event, I recommend as a means "to provide further necessary revenue for old age assistance," the passage of a bill to authorize the Old Age Assistance Commission to pay interest not exceeding five per cent per annum on these warrants; the rate of interest to be fixed by the State Banking Board, which is composed of the Attorney General, the Treasurer and the State Banking Commission.

With this in mind, I called a conference with a number of leading bankers from over the State and presented the matter to them. They stated that the checks would be in such small amounts it would not be a paying proposition to the banks; that it would be more trouble than it could possibly be worth to them; but, as a matter of public pride and good citizenship, they were willing to recommend to their respective institutions to cooperate in the matter, provided: first, that they were convinced the plan was legal; and second, that this Legislature passes revenue bills sufficient to show that the warrants would ultimately be paid. I am thoroughly convinced of the constitutionality of the plan; and, likewise, feel confident this Legislature will pass a revenue bill. I urge you to immediately pass a bill authorizing the payment of interest on these old age assistance warrants.

I am of the opinion that this matter falls within the subject matter already submitted, to-wit:

"To provide further necessary revenue for old age assistance to persons entitled to same under the provisions of said House Bill No. 26 as passed by the 2nd Called Session of the Forty-fourth Legislature."

and I, therefore, make this recommendation without submitting any additional subject matter to the Legislature.

Respectfully submitted,

JAMES V. ALLRED,
Governor of Texas.

Executive Office,
Austin, Texas, Oct. 7, 1936.
To the Senate of the Forty-fourth
Legislature:
Mr. L. H. Bridges, of Luling, Cald-

well County has resigned as a member of the Guadalupe-Blanco River Authority, and for this reason I respectfully ask leave of the Senate to withdraw his name as a member of the board of directors of the Guadalupe-Blanco River Authority.

Respectfully submitted,

JAMES V. ALLRED,
Governor of Texas.

Adjournment.

On motion of Senator Sanderford, the Senate adjourned until 10 o'clock a. m. Thursday.

APPENDIX.

Committee on Engrossed Bills.

Committee Room,

Austin, Texas, Oct. 6, 1936.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. C. R. No. 6 carefully examined and compared and find same correctly engrossed.

DAVIS, Chairman.

Committee Room,

Austin, Texas, Oct. 6, 1936.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Engrossed Bills, have had S. B. No. 7 carefully examined and compared and find same correctly engrossed.

DAVIS, Chairman.

Committee on Enrolled Bills.

Committee Room,

Austin, Texas, Oct. 7, 1936.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Enrolled Bills, have had S. C. R. No. 3 carefully examined and compared and find same correctly enrolled.

POAGE, Chairman.

Committee Reports.

(Majority Report.)

Committee Room,

Austin, Texas, Oct. 7, 1936.

Hon. Walter F. Woodul, President of the Senate.

Sir: We, a majority of your Committee on Civil Jurisprudence, to whom was referred S. R. No. 15,

Have had the same under con-

sideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass.

SMALL, Chairman.

(Minority Report.)

Committee Room,
Austin, Texas, Oct. 7, 1936.
Hon. Walter F. Woodul, President of the Senate.

Sir: We, a minority of your Committee on Civil Jurisprudence, to whom was referred S. R. No. 15,

Have had the same under consideration, and beg leave to differ with the majority and report it back to the Senate with the recommendation that it do pass, and be printed in the Journal.

MOORE,
WESTERFELD.

Committee Room,
Austin, Texas, Oct. 6, 1936.
Hon. Walter F. Woodul, President of the Senate.

Sir: We, your Committee on Labor, to whom was referred

S. B. No. 5, A bill to be entitled "An Act to create an Unemployment Insurance System for the State of Texas; creating an Unemployment Compensation Fund; providing for collections, deposits, and investments of such funds; providing for withdrawals; providing for custody and management of such funds in certain contingencies; providing regular contributions and penalties; providing that claims for premiums shall have priority over other claims; etc., and declaring an emergency."

Have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, and that it be printed with committee amendments incorporated within the printed bill.

RAWLINGS, Chairman.

NINTH DAY.

Senate Chamber,
Austin, Texas,
October 8, 1936.

The Senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Lieutenant Governor Walter F. Woodul.

The roll call disclosed a quorum, the following Senators being present:

Beck.
Blackert.
Burns.
Collie.
Cotten.
Davis.
DeBerry.
Hill.
Holbrook.
Hornsby.
Isbell.
Martin.
Moore.
Neal.
Nelson.

Oneal.
Pace.
Poage.
Rawlings.
Redditt.
Sanderford.
Shivers.
Small.
Stone.
Sulak.
Van Zandt.
Weinert.
Westerfeld.
Woodruff.

Absent—Excused.

Regan.

Senators Excused.

Senator Regan was excused on account of important business on motion of Senator Rawlings.

Senator Nelson was excused on account of important business on motion of Senator Collie.

Prayer by Rev. B. W. Allen.

Pending the reading of the Journal of yesterday, the same was dispensed with on motion of Senator Hill.

Petitions and Memorials.

(See Appendix.)

Committee Reports.

(See Appendix.)

Bills and Resolutions.

Senate Bill No. 11.

By Senator Moore:

S. B. No. 11, A bill to be entitled "An Act amending H. B. No. 10, Regular Session, Forty-first Legislature, 1929; and declaring an emergency."

Read and referred to the Committee on State Affairs.

Petition.

The Chair laid before the Senate the following petition:

Richmond, Texas, Oct. 6, 1936.
Lieut. Governor Walter Woodul,
Austin, Texas.

The commissioners' court of Fort Bend County is opposed to diverting any funds whatever from the State Highway Department.

(Signed) JOHN M. MOORE, JR.,
County Judge.